

CAMBRIDGESHIRE COUNTY COUNCIL'S RESPONSE TO COVID-19

To: General Purposes Committee

Meeting Date: 2nd June 2020

From: Chief Executive and Joint Management Team

Electoral division(s): All

Forward Plan ref: Not applicable **Key decision:** No

Outcome: The Council's response to COVID-19 and our strategies for county-wide recovery will have a significant impact on outcomes for individuals and communities.

This report provides an update on:

- the Council's ongoing response to the current Coronavirus pandemic; and
- financial impact.

Recommendation: General Purposes Committee is asked to:

- a) note the progress made to date in responding to the impact of the Coronavirus.
- b) note the current projected financial implications associated with managing the implications of the Coronavirus pandemic as set out in section 3 of this report.

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1. BACKGROUND

- 1.1. This report provides an update on the Council's ongoing response to the coronavirus pandemic, our work with partners and communities to protect the most vulnerable and our developing work to help Cambridgeshire to recover from this unprecedented emergency.
- 1.2. COVID-19 continues to spread across the world and in the UK. At 15th May, there had been 4.2 million confirmed cases and more than 286,000 deaths globally, with 223,060 confirmed cases and 32,060 deaths in the UK. Across Cambridgeshire and Peterborough, 1,979 confirmed cases and 365 deaths occurred between 27th March and 15th May.
- 1.3. The Prime Minister addressed the nation on Sunday 10th May with a new message for the public to Stay Alert, Control the Virus and Save Lives. This was followed by publication on Monday 11th May of the Government's recovery strategy "OUR PLAN TO REBUILD". This has been followed by further guidance on schools, supporting the care sector and reopening of public spaces and town centres.
- 1.4. Officers and teams continue to work closely with our communities, partners and providers to develop appropriate operational responses to new guidance as it is issued. Further details of the Council's response during May can be found in weekly highlight reports from each Directorate, available at this link: [COVID 19 Weekly Reports](#) and in service committee COVID-19 update reports: [Council Meetings](#)
- 1.5. The Council Senior Leadership Team continues to run a 'Gold Command' Incident Management Team at least twice weekly to co-ordinate our response. The Local Resilience Forum (LRF), a partnership of local agencies, continues to hold a Strategic Co-ordinating Group at least twice weekly to co-ordinate the multi-agency response.
- 1.6. The Council's Recovery Framework was endorsed by this Committee on 14th May and a Recovery Board has been established, with the first meeting scheduled for 14th May. The Senior Management Team member chairing this board is the Director for Business Improvement and Development, Amanda Askham and all Executive Directors, Service Directors and Corporate Heads of Service are members of the recovery group.
- 1.7. The Local Resilience forum has also stood up a Recovery Coordinating Group to co-ordinate multi-agency actions. This group is jointly chaired by Huntingdon District Council Managing Director, Jo Lancaster and South Cambridgeshire District Council Chief Executive, Liz Watts.
- 1.8. The Council continues to operate all essential services, with staff working from home wherever possible. Some services remain partially closed in line with government guidance and social distancing measures and are offering online services where possible. Plans to safely and gradually reopen services are being developed with partners through the LRF Restoration Group. Household Waste and Recycling Centres have reopened successfully with some restrictions, temporary guidelines and social distancing measures in place.

2. LOCAL PUBLIC HEALTH CONTEXT

2.1 Cases

The weekly number of lab confirmed cases has fallen over the last three weeks, with 38 cases reported for the latest week starting 18 May 2020. There have now been 1,122 lab confirmed cases in Cambridgeshire, with a cumulative infection rate that remains lower than regional and national comparators. The weekly number of lab confirmed cases has fallen over the last three weeks. The cumulative infection rate in Cambridgeshire (total number since the start of Covid-19) remains lower than regional and national comparators.

2.2 Deaths

Data show that between 27 March and 15 May 2020, 365 deaths occurred related to Covid-19 within Cambridgeshire & Peterborough residents, with 244 (67%) of the total occurring within hospitals and 100 (27%) occurring within care homes.

2.3 The latest Office for National Statistics (ONS) data for mortality (deaths occurring to 15 May 2020 and registered to 23 May 2020) indicates that all cause and Covid-19 deaths across all settings have continued to decline from a high point about 4 weeks ago. This is also the case for deaths in care homes. 34% of all cause deaths are now in care homes, compared to 39% at the peak (usual level is around 23%). This is slightly higher than nationally and varies by district. 36% of Covid-19 deaths are in care homes, an increase from the previous week, and the trend over the last 5 weeks is flat. This is a lower proportion than nationally. At the latest week, the proportion of all deaths attributable to Covid-19 is the same in all places of death and in care homes – however, the proportion of all cause deaths not attributable to Covid-19 in care homes shows that there is still an excess of non-Covid-19 deaths in care homes. More detail is available about deaths by district if this is required in subsequent weeks.

2.4 The overall trend in all deaths reported by care home managers to Care Quality Commission (CQC) for care home residents is relatively flat, with little change since reporting began in early April 2020. However, over the last few weeks we are not seeing the very highest numbers of reported deaths, indicating that reported Covid-19 deaths have declined slightly over recent weeks. Daily numbers are quite small (1-2 per day over the last week).

3. UPDATED FINANCIAL IMPLICATIONS

3.1 The second return to Ministry of Housing, Communities and Local Government (MHCLG) accounting for spending and financial consequences resulting from the pandemic was submitted by the Council on 15 May. This second return required significantly more detail than the first request from central government, such as the inclusion of actual expenditure figures for April, a specific projection for May and then for the remainder of financial year. We were also asked for information relating to cashflow and levels of reserves. The Council participated in work organised by the Society of County Treasurers and the County Councils Network to aid interpretation of the guidance to ensure greater consistency between individual Council returns.

3.2 The latest projected financial impacts, on a Committee-by-Committee basis, are as follows, these are very close to the figures submitted to MHCLG in May, subject to adding back

directly NHS funded activity (which MHCLG exclude, see more in paragraph 3.5 below) and a small number of updates that have been collated since then:

£000 April & May impact	Committee name	Total projected impact £000			Gross Total
		New commitment s	Income forgone	Impaired savings	
7,937	Adults	24,660	330	4,131	29,121
872	Commercial & Investment	95	1,532	576	2,203
997	Communities & Partnership	1,356	712	65	2,133
1,223	Children & Young People	4,185	1,897	2,224	8,306
932	General Purposes	1,158	62	-	1,220
112	Health	140	-	17	157
422	Environment & Sustainability	570	60	-	630
1,742	Highways & Transport	1,912	4,431	617	6,960
14,237	TOTAL	34,076	9,024	7,630	50,730

3.3 In line with the guidance received in terms of accounting, these estimates assume the major disruption is confined to the summer period with the financial impact included beyond that restricted only to a continuous recovery. If there is further major disruption or a re-tightening of restrictions as a result of new waves of the disease this will worsen the projections. These figures represent an increase in projected financial impact compared to the forecast shared with the Committee previously. Key changes are the result of: factoring in a recovery period for Adult Social Care demand (this is a very indicative figure) and updating estimates for lost income from schools and reimbursement from NHS in view of latest information.

3.4 The Council has had the benefit of some early benchmarking results based on the May MHCLG returns undertaken on behalf of the County Councils Network. In terms of the total projected financial impact there is now a smaller range of forecasted percentage impact relative to total spending, and Cambridgeshire is close to the median point. This builds confidence that the Council has used reasonable assumptions to underpin these estimates in totality, albeit significantly more variation is expected at service line level when this benchmarking becomes available. Two areas of significant potential (currently unrecognised) financial risk discussed with peer authorities include:

- a. Home to School transport, if social distancing is required in transit to schools once these fully re-open to all year groups.
- b. Impact on local taxation: District Councils are billing authorities for Council tax and Business Rates – there is expected to be a major impact on collection and future growth projections, it remains to be seen as to the quantum and timing of the impact of this on the County Council given a large proportion of our income is derived from local taxation

3.5 Although the financial impacts summarised above amount to £50.7m, the Council is also set to receive significant additional funding:

- NHS reimbursement for support to hospital discharge. It is projected that just under £9m of funds to be expended will have been on behalf of the NHS. In accordance with the national process a claim for c. £1.3m has been made through the local Clinical Commissioning Group (CCG) for expenditure in April and reimbursement from NHS

England is currently awaited. As the number of “post coronavirus” patients increases, the amount claimed monthly is expected to increase.

- The Council has now received £26.124m in funding (across two tranches) from MHCLG in unringfenced funds to use across services to response to the pandemic

- 3.6 In addition there are smaller amounts within the pressures that are identified above that may be reclaimable from other Councils or will need to be handled within the dedicated schools grant or public health grant ring-fence. This reduces the unfunded general pressure on the Council to £13.6m. This is a common picture across the country, and the sector continues to call for further funding to mitigate this position. The Council will refine estimates as assumptions and actual costs are updated. As well as a changeable time horizon a number of areas are subject to further internal challenge and scrutiny which may reduce costs. It is anticipated that, as in recent years, the July GPC will have opportunity to review and reset budgets alongside the first full forecasts of the 2020-21 financial year and further to budget setting in February. Clearly with £50m of new expenditure that was not envisaged in February, the impact of the pandemic will dominate that consideration. Budget re-allocations and the specifically the allocation of the MHCLG grant are the responsibility of GPC, meaning this Committee will ultimately sign off spending plans and prioritise within the Council where there are scarce resources.
- 3.7 Were no further funds to be forthcoming, as a last resort, the Council holds general reserves partly in case of emergencies. The general fund balance is in the region of £18m, in line with the medium term financial strategy, which also sets out a number of other extant risks that the balance is held to mitigate.
- 3.8 More recently, there have been two further announcements of funds flowing through local government. Neither of these amounts were included in the MHCLG return or are shown in the summary table above:
- a. Infection control in Care Homes – Cambridgeshire is due to receive £6.14m between May and July. 75% of these monies must be passed straight on to care homes across the county on a “per bed” basis (including to private providers we do not normally work with) according to tight timescales. The Council has more discretion with the remaining 25% of funds, including some deployment to domiciliary care providers, although there is a hard ring-fence to ensure focus on infection control. Both individual homes and the Council itself, through certifications by the statutory director of adult social services and the chief finance officer, must meet specific monitoring and reporting requirements, otherwise funds will be clawed back by central government.
 - b. Nationally £300m has been announced by government recently for local government support for outbreak management, local test and trace and support for those who need to self-isolate. At this time local allocations are not known, it is anticipated that local statutory directors of public health will supervise the deployment of these funds within a ringfence.
- 3.9 In terms of the financial consequences overseen by this Committee directly, the key impacts of the pandemic include:
- a. Making available a body storage facility in case numbers of excess deaths exceeded local mortuary capacity. Costs forecast were for equipment hire, installation, staffing and utilities. Thankfully, to date, this facility has not been needed and it is hoped the estimate included will reduce if storage is not activated
 - b. Minor impacts across corporate service teams as a result of staff redeployment, reduced

income and potential slippage on an IT project

- 3.10 The previously reported process for responding to Cabinet Office guidance on supplier relief, that is to ensure supplier continuity for recovery by either adjusting payment terms or paying for reduced or altered outputs during the process is now in place. This process has been cascaded to all contract managers and supplier applications are considered by a panel comprising Finance, Procurement and Internal Audit representatives: the number of applications so far is small.

4. SYSTEM RESPONSE

- 4.1 We continue to work closely with a range of system partners – for example: Health, the Combined Authority, District and City Councils, Community and Voluntary sector organisations, schools, private sector business, our universities, providers in our supply chain, our communities - as well as with Government. It has been vitally important to develop forums and mechanisms to ensure that, as a system, we are aligned in our response recovery plans.
- 4.2 In the last two weeks, the Strategic Coordinating Group has had a focus on the work happening locally and regionally to set up test and trace operations as well as the ongoing multi agency response. The test and trace operation will complement the national system - a three tier response which was launched with nationwide communications on 28th May. Locally and regionally work is being done to deliver a comprehensive Outbreak Management Plan in accordance with the guidance issued by the Local Government Association on 22nd May. This will include outbreak management plans for a range of settings - including homelessness hostels, schools or houses of mass occupation - building on the work already in place locally to support care homes where outbreaks are notified. The Outbreak Management Plan will also cover our approach to testing, local intelligence around the infection, workforce capacity and training and support for those who need to self-isolate.
- 4.3 The LRF Restoration Group has been coordinating plans to gradually reopen services – such as the recycling centres and schools – as well as linking city and town centre reopening plans to avoid ‘pinch points’. Public transport plans and new schemes for cyclists and pedestrians are also being shared in this group to ensure all agencies are aware and prepared for any impact on their own organisations. The reopening of leisure facilities and recreational spaces and culture venues is being discussed at the next meeting.
- 4.4 The Finance Sub group of the LRF Recovery Group are ensuring that lobbying through MPs reflects pressures across the system and that returns to MHCLG are as consistent as possible across councils with different tiers of responsibilities.

5. ALIGNMENT WITH CORPORATE PRIORITIES

- 5.1 The current Coronavirus pandemic will have both an immediate and a longer term effect on all of the Council’s priorities. The impacts will be monitored and managed through our risk logs and recovery plans and will feed into the annual review of Council strategy.

6. SIGNIFICANT IMPLICATIONS

- 6.1 Following the Government's recovery plans for the UK, it is important for people to get back to school and work, for communities and services to rebuild and for businesses to reopen. As a Council, we will need to carefully interpret guidance as it comes through from central government, and work with partners and communities to ensure that we restart Cambridgeshire at the right time and pace and only when it is safe to do so.
- 6.2 The Council's financial forecasts have changed dramatically since a balanced budget was set in February 2020. Whilst it is too early to predict the full financial impact of fighting COVID-19, we know that we need to continue lobbying government for further funding and maintain strong financial management if we are to emerge from this period with the financial stability we had achieved pre Covid-19.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	N/A
Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?	Yes Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Amanda Askham
Have any engagement and communication implications been cleared by Communications?	Yes Christine Birchall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Amanda Askham
Have any Public Health implications been cleared by Public Health	Yes Liz Robin

Source Documents	Location
Service highlight reports for all Directorates sent to Members weekly.	Highlight Reports